

**REQUEST FOR QUALIFICATIONS (RFQ)
FOR
INVESTMENT BANKING SERVICES:
SENIOR MANAGER, SENIOR CO-MANAGER, CO-MANAGER
AND SELLING GROUP**

Appointment to Underwriter Pool for a 1 Year Period with an
option to extend for 2 additional periods of 1 year each

**Issued by the
State of New Jersey
Treasurer's Office**

Date Issued: May 1, 2009

**Responses due by 3:00 PM NY Time on
Wednesday, May 27, 2009**

R. David Rousseau
State Treasurer
State of New Jersey
Department of the Treasury

REQUEST FOR QUALIFICATIONS (RFQ)

FOR

INVESTMENT BANKING SERVICES

1. PURPOSE AND INTENT

The Treasurer of the State of New Jersey (the "State") is soliciting proposals from qualified firms interested in performing senior manager, ("Senior Manager"), senior co-manager, ("Senior Co-Manager") or co-manager, ("Co-Manager") underwriting services for the State or certain independent authorities of the State (the "Authorities") who issue bonds and obligations backed by contracts, leases or appropriations from the State. The State and the Authorities issue, from time to time, various types of general obligation bonds, revenue bonds, short-term notes, certificates of participation and subject-to-appropriation obligations as either fixed or floating rate instruments.

Based upon a review of the responses to this Request for Qualifications ("RFQ"), the State intends to select a Senior manager pool of up to 10 firms, (the "Senior Manager Pool") a Senior Co-Manager pool of approximately 5 firms, (the "Senior Co-Manager Pool"), a co-manager pool of approximately 30 firms, ("Co-Manager Pool"), and a selling group, ("Selling Group"). The Senior Manager Pool will consist of up to 10 firms who receive the highest aggregate scores by the evaluation committee relative to the scoring of all firms applying for the Senior Manager and Senior Co-Manager Pools. The Senior Co-Manager Pool will consist of approximately 5 firms who receive the next highest aggregate scores by the evaluation committee relative to the scoring of all firms applying for the Senior Manager and Senior Co-Manager Pools. Firms which apply for the Senior Manager Pool but are not selected will be considered for the Senior Co-Manager Pool. All remaining firms, including those who have applied only for the Co-Manager Pool, will then be considered for the Co-Manager Pool unless they specifically ask not to be considered. All firms not selected to another pool may be considered for the Selling Group, unless they specifically ask not to be considered.

Each of the pools will have a term of one (1) year, with an option for the State to extend for two (2) additional terms of one (1) year each. The State reserves the right, in its sole discretion, at any time, and from time to time, during the term of the pool, to engage one or more firms pursuant to a separate procurement process when, in the State's sole judgment, another firm(s) is better suited to handle a particular transaction. Selection to the Senior Manager, Senior Co-Manager, Co-Manager Pools or the Selling Group under this RFQ does not limit a firm's ability to be selected to participate under a separate procurement.

The State also reserves the right, in its sole discretion, to terminate any individual member of a pool or an entire pool, at any time, and to establish other pools through a separate procurement process. Assignment to a pool does not provide any assurance that a firm will receive appointment for an assignment.

2. ASSIGNMENTS FROM THE POOLS

2.1. Senior Manager and Senior Co-Managers

Assignments as Senior Manager for transactions undertaken by negotiated sale in accordance with Executive Order No. 26 (Whitman 1994) ("E.O. 26") will be done on a pre-determined rotation basis from the senior manager pool. However, the State reserves the right to select a firm outside of the pre-determined rotation order of each pool if a firm presents to the State, in response to this RFQ, or at any time during the term of the pools, a unique or innovative proposal that assists the State in better managing the existing bond portfolio or assists the State in its future bond issuance plans and strategies. The determination as to whether a proposal is unique or innovative is solely at the discretion of the State. The pre-determined rotation system will then be reinstated for the next transaction. Additional firms in both the Senior Manager and Senior Co-Manager Pools may be assigned to co-senior manager positions within an underwriting syndicate depending upon the size and complexity of the transaction and at the sole discretion of the State.

2.2. Co-Managers

A portion of the Co-Manager Pool may be selected to serve as Co-Managers for a transaction. The Co-Managers will be assigned to a sub-group based upon various factors including, but not limited to, experience, distribution capability and staffing. If a Co-Manager firm presents to the State, in response to this RFQ, or at any time during the term of the pool, a unique or innovative proposal, that assists the State in better managing the existing bond portfolio or assists the State in its future bond issuance plans and strategies, then the State reserves the right to give consideration to the proposing firm to serve as Senior Manager, Senior Co-Manager or co-senior manager on a transaction. The determination as to whether an unsolicited proposal is unique or innovative is solely at the discretion of the State. Factors entering into the consideration for Senior Manager, Senior Co-Manager or co-senior manager will include, but not be limited to, distribution capability, experience and staffing.

2.3. Selling Group

The State may determine in its sole discretion, from time to time, when deemed advantageous to the marketing of a bond issue, to appoint a Selling

Group from the pool to participate in certain transactions without underwriting liability.

3. SCOPE OF SERVICES

The selected underwriter(s) will work with the Office of Public Finance, the Department of the Treasury, the Authorities, the Office of the Attorney General and other professionals selected by the State, in the negotiated sale of bonds for new money and refunding purposes. Senior Managers and Senior Co-Managers will be required to provide some or all of the services identified below, at the request of the State. Co-Managers shall provide information and assistance upon request and shall act as members of the underwriting syndicate. Selling Group members shall distribute bonds.

- 3.1. Recommend structures for specific debt issuances, bond programs and alternatives to minimize overall debt service costs.
- 3.2. Assist in drafting and reviewing relevant bond documents, including, but not limited to, official statements, bond resolutions and indentures, leases and contracts.
- 3.3. Assist in preparation of materials or presentations, discussions and meetings or other communications with rating agencies, insurers, credit enhancers and investors.
- 3.4. Obtain bids for credit enhancement and recommend efficient utilization of available credit enhancement, including but not limited to bank facilities and bond insurance.
- 3.5. Identify financing opportunities available to the State and the Authorities.
- 3.6. Manage the underwriting process.
- 3.7. Commit capital to underwrite bonds issued by the State and the Authorities.
- 3.8. Provide post-closing analysis of debt issuances, including but not limited to pricing, orders, allotments and all information required by E.O.26.
- 3.9. Identify derivative product transactions that would be beneficial to the State and the Authorities.
- 3.10. Identify investment opportunities that provide savings and improve the efficiency or execution of a transaction.

- 3.11. Provide such underwriting and investment banking services as requested by the State or the Authorities.

4. REQUIRED COMPONENTS OF THE PROPOSAL

Each firm submitting a proposal must follow the instructions contained in this RFQ in preparing and submitting its proposal. The proposing firm is advised to thoroughly read and follow all instructions. A proposal must contain all of the information in the order and format indicated below. All terms and conditions set forth in this RFQ will be deemed to be incorporated by reference in their entirety into any response submitted by your firm. All proposals received, and any information contained therein, is subject to disclosure in accordance with the New Jersey Open Public Records Act.

Firms interested in being assigned to the Senior Manager or Senior Co-Manager Pools must respond to all questions provided below. Firms interested in being assigned only to the Co-Manager Pool must respond to questions #4.1-4.15. Selling Group respondents must respond to questions #4.1, 4.2, 4.3, 4.5, 4.6, 4.7, 4.8, 4.9 and 4.10.

In your proposal please respond to each question by repeating the question at the top of the section and referring to the question by the numbers used in this RFQ.

- 4.1. State the Pool to which you are applying. Provide an executive summary of not more than two (2) pages identifying and substantiating the basis of your contention that you are the best qualified firm to provide the requested underwriting services to the State and the Authorities.
- 4.2. Provide the name, title, business address, e-mail address, telephone number and fax number of the individual the State should contact regarding your proposal.
- 4.3. Provide a brief description of your firm and its ownership structure. Discuss your firm's public finance and municipal sales, trading and underwriting departments (for both long term and short term debt). Describe staffing and other business changes that have occurred in your public finance business during the period January 1, 2008 to present.
- 4.4. Provide your firm's total capital, net capital, equity capital and excess net capital position as of the end of your most recent quarter. Provide your most recent audited financial statements. Identify the specific amount of capital that is allocated to the public finance (underwriting, sales and trading) activities in calendar years 2007, 2008 and 2009 (as of May 1, 2009).

- 4.5. Describe your firm's physical presence in the State of New Jersey, including number of offices, number of employees and type of business activity conducted in the State.
- 4.6. Identify any existing or potential conflict of interest, or any relationships that might be considered a conflict of interest, that may affect or involve transactions for the State or the Authorities, including but not limited to conflicts with financial advisors, law firms providing services to the State or the Authorities and State or Authority employees
- 4.7. Describe any pending, concluded or threatened litigation, administrative proceedings or federal or state investigations or audits, subpoenas or other information requests of or involving your firm or the owners, principals or employees thereof during the period beginning January 1, 2003 to the present. Describe the nature and status of the matter and the resolution, if any.
- List any sanctions or penalties brought against your firm or any of its personnel (including suspension or disbarment) by any regulatory or licensing agencies. Include a description of the reasons for the sanction or penalties and whether such sanctions or penalties are subject to appeal.
- 4.8. Provide as an appendix, the last two G37 reports your firm has filed and if applicable, form G38t.
- 4.9. Describe all licenses held and maintained by the firm, its directors, officers, and principals and any of the individuals who will be responsible for providing the services described herein that are required in order to do business in the State or elsewhere. List all states where your firm is registered by the NASD and SEC. Provide a list of any and all suspensions or expulsions by those regulatory agencies of your firm or any of its personnel since January 1, 1999, with an explanation of the reason for such suspensions or expulsions and the time period for such actions. Your firm must include a written representation stating that the firm and its personnel have, and will maintain, all required licenses and registrations necessary to perform the service for which your firm is applying.
- 4.10. Describe your firm's bond sales and distribution capabilities, including both retail and institutional sales. Provide specific examples of successful competitive and negotiated underwritings subsequent to September 2008, at least one of which occurred between September 15, 2008 and December 31, 2008. Additionally, provide two (2) specific examples of your ability to distribute N.J. securities, which may include

but not be limited to: i) underwriting liability ii) orders (retail/institutional/member) iii) allotments iv) designations. (Limit two (2) pages)

- 4.11. Provide a summary of the transactions underwritten by your firm for the period from January 1, 2006 to May 1, 2009 aggregated by total number of transactions and par amount, including role (senior manager, co-senior manager, co-manager or selling group), type of bond (fixed, variable), security (G.O., appropriation or revenue) and method of sale (negotiated or competitive). Please use the format below. In a separate table, please provide the same summary data for State and Authority issues (limited to those where the State's credit is the security for the bonds) during the same period January 1, 2006 to May 1, 2009. Provide a list of the transactions in an appendix with State and Authority issues highlighted.

Role	Number of Issues	Par Amount	Type of Bond	Security	Method of sale
Senior Mgr	XX	\$ XX	Fixed rate	Revenue	Negotiated
Co-Senior Manager	XX	\$ XX	Fixed rate	Revenue	Negotiated
Co-Manager	XX	\$XX	Fixed Rate	Revenue	Negotiated

- 4.12. List and describe the primary personnel that will be assigned to provide investment banking and underwriting services to the State and the Authorities with a discussion of their relevant experience. In an appendix, include a table of transactions (January 1, 2006 to May 1, 2009) for which the primary personnel served as lead investment banker, including those underwritten when the personnel were at a prior employer/firm. Please include resumes in an appendix.
- 4.13. In tabular form, provide details (par amount, number of trades, issuer) of your firm's support of the State and Authorities' bonds in the secondary market as well as a list of transactions and your role, demonstrating your support of the State and Authorities' bonds in the competitive market.
- 4.14. In 2008 the State introduced www.buynjbonds.gov and initiated radio and print advertising in connection with the New Jersey Transportation Trust Fund Authority Bonds, 2008 Series A. Provide a suggested marketing strategy to increase the demand for the State and the Authorities' future bond issues, which may include enhancements to www.buynjbonds.gov or through other means. Specifically address the marketing of serial bonds, term bonds and capital appreciation bonds. (Limit one (1) page).

4.15. Provide a description of your firm or your personnel's past assistance to the State and the Authorities through the provision of services or resources other than bond underwriting, including but not limited to: credit facilities, inventory of remarketed bonds, analytical/quantitative support not related to a specific bond transaction or other factors which have benefitted the State and the Authorities.

4.16-4.18. Senior Manager Case Study (applicable to both Senior Manager Pool and Senior Co-Manager Pool)

4.16. The New Jersey Transportation Trust Fund Authority ("NJTTFA") is expected to reach its statutory bonding capacity in Fiscal 2011. In your response, assume NJTTFA issued \$350 million of new money bonds on May 1, 2009 as \$250 million serial bonds and/or term bonds and \$100 million capital appreciation bonds. Provide a multi-year plan of finance for NJTTFA whose goal is to maximize the amount of bonds which can be issued for Fiscal 2010 and Fiscal 2011 while minimizing the cost of capital. You must explain (i.e. justify) your interest rate assumptions for each of the transactions in your plan of finance. If variable rate bonds are included in your plan of finance, you must be specific as to the variable rate product, the credit enhancement required and the assumptions that you are making with respect to that credit enhancement including, but not limited to: cost, credit enhancement provider, reimbursement terms, maturity and credit quality. You must also include a marketing and distribution plan. (Limit five (5) pages).

4.17. Describe any innovative ideas you may have for financing transportation infrastructure either through NJTTFA or an alternative means. (Limit 1 page).

4.18. Provide indicative fees and expenses for the products proposed in your plan of finance. You must provide at a minimum, underwriting takedown for i) fixed rate serial bonds, ii) fixed rate term bonds, iii) capital appreciation bonds and iv) if you include variable rate bonds in your response, variable rate bonds.

4.19-4.20. Additional Senior Manager and Senior Co-Manager Questions.

4.19. Describe any proposals for creating debt service savings for the Fiscal 2010 and Fiscal 2011 budget. (Limit two (2) pages).

4.20. Describe any innovative ideas you have for new financing methods for the State and the Authorities. (Limit one (1) page).

5. SUBMISSION OF THE PROPOSAL

All respondents are required to limit their proposals to twenty five (25) pages or less (exclusive of appendices) at no smaller than 12 point type. Excess pages and extraneous materials or appendices will detract from the overall quality of the response.

Joint proposals will NOT be permitted.

All documents and information submitted in response to this RFQ generally shall be available to the general public as required by E.O. 26 and applicable law.

Communications with representatives of the State or the Authorities concerning this request, by you or on your behalf, are NOT permitted during the submission process, (except as specified below). No telephone inquiries will be accepted. If you have questions or require clarification on any aspect of this RFQ, please forward the request via email to RFQresponses@treas.state.nj.us. Questions must be submitted by May 11, 2009. The State will post answers to all questions on the New Jersey Office of Public Finance website at http://www.state.nj.us/treasury/public_finance/ on or about May 14, 2009.

The State will not be responsible for any expenses in the preparation and/or presentation of the proposals and oral interviews, if any, or for the disclosure of any information or material received in connection with the solicitation, whether by negligence or otherwise.

The State reserves the right to request additional information or clarification, if necessary, or to request an interview with firm(s), or to reject any and all proposals with or without cause, and waive any irregularities or informalities in the proposals submitted. The State further reserves the right to make such investigations as it deems necessary as to the qualifications of any and all firms submitting proposals. In the event that all proposals are rejected, the State reserves the right to resolicit proposals.

Responding firms may withdraw their proposal at any time prior to the filing date and time by written notification signed by an authorized agent of the firm. The proposal may thereafter be resubmitted, but only up to the final filing date and time.

The responding firm assumes sole responsibility for the complete effort required in this RFQ. No special consideration shall be given after proposals are opened because of a firm's failure to be knowledgeable about all the requirements of this RFQ. By submitting a proposal in response to this RFQ, the firm represents that

it has satisfied itself, from its own investigation, of all the requirements of this RFQ.

Nine (9) copies of your proposal (1 signed original and 8 copies) plus a CD with all appendices must be delivered by courier or overnight express mail, no later than 3 PM on Wednesday, May 27, 2009 to:

James Petrino, Deputy Director
Office of Public Finance
State of New Jersey
50 West State Street, 5th floor (hand delivery)
P.O. Box 005 (regular mail)
Trenton, NJ 08625

No fax or email proposals will be accepted.

Proposals received after the time and date listed above will not be considered.

6. SELECTION PROCESS

All proposals will be reviewed to determine responsiveness. Non-responsive proposals will be rejected without evaluation. Responsive proposals will be reviewed and scored by an evaluation committee pursuant to the criteria specified below. The State reserves the right to request clarifying information subsequent to submission of the proposal if necessary.

The criteria used to evaluate responsive proposals shall include, but not be limited to, expertise, capacity, experience and personnel in accordance with E.O. 26 and may include the following evaluation criteria categories, separate or combined, in some manner and not necessarily in order of significance:

- Overall underwriting and structuring experience with debt issues of the State, its Authorities, and other similar state and governmental issuers;
- Development of new ideas, demonstrated knowledge of the financial and programmatic challenges facing the State;
- Analytical capabilities and ability to articulate those analyses;
- Experience of professionals assigned to work with the State;
- Demonstrated sales effort and ability to distribute New Jersey securities to both retail and institutional buyers;
- Capital adequacy and demonstrated underwriting commitment;

- Indicative fees and expenses;
- Overall quality of responses to this RFQ

Interviews may be conducted, at the option of the evaluation committee, with any or all of the firms submitting a proposal. If interviews are to be held you will be notified approximately one week in advance.

7. STATUTORY REQUIREMENTS

7.1. Chapter 51. Pursuant to Public Law 2005, Chapter 51 (“Chapter 51”), State departments, agencies and authorities are precluded from awarding contracts exceeding \$17,500 to vendors who make certain political contributions on and after October 15, 2004, to avoid any appearance that the selection of contracts is based on the contractors’ political contributions. Chapter 51 also requires the disclosure of all contributions to any political organization organized under 26 U.S.C. 527 that also meet the definition of a “Continuing political committee” within the meaning of N.J.S.A. 19:44A-3(n) and N.J.A.C. 19:25-1.7. Please refer to Attachment I which explains the requirements of Chapter 51.

Please note that Executive Order No. 117 (Corzine 2008) (“Executive Order 117”), which became effective November 15, 2008, builds on the provisions of Chapter 51 by extending the definition of business entity and expanding the list of disqualifying contributions. Refer to Attachment II which explains the requirements of Executive Order 117. Failure to submit the attached certification form(s) and disclosure form(s) shall be cause for rejection of your firm’s proposal.

Please also consult:

Website:

http://www.state.nj.us/treasury/purchase/forms/eo134/c51_cd.pdf

Instructions:

http://www.state.nj.us/treasury/purchase/forms/eo134/c51_cd_instr.pdf

The firm selected pursuant to this RFP shall be required to maintain compliance with Chapter 51 during the term of their engagement.

The firm selected pursuant to this RFP shall be required to maintain compliance with Executive Order 117 during the term of their engagement.

7.2. Chapter 271. Pursuant to Public Law 2005, Chapter 272 (“Chapter 271”), your firm is required to disclose its (and its principals’) political contributions within the immediately preceding twelve (12) month period prior to entering into a contract. No prospective firm will be precluded from entering a contract with the State by virtue of the information

provided in the Chapter 271 disclosure provided the form is fully and accurately completed. Prior to award of this engagement, the firm selected pursuant to this RFP shall be required to submit Chapter 271 disclosures. Please refer to Attachment III for a copy of the Chapter 271 disclosure form. It is not required to be completed in connection with the submission of your proposal.

If selected pursuant to this RFP, please also be advised of your firm's responsibility to file an annual disclosure statement on political contributions with the New Jersey Election Law Enforcement Commission (ELEC) pursuant to N.J.S.A. 19:44A-20.13 (L. 2005, c. 271, section 3) if your firm receives contracts in excess of \$50,000 from a public entity during a calendar year. It is your firm's responsibility to determine if filing is necessary. Failure to so file can result in the imposition of financial penalties by ELEC. Additional information about this requirement is available from ELEC at (888) 313-3532 or www.elec.state.nj.us.

- 7.3. **E.O. 9.** Pursuant to Executive Order No. 9 (Codey 2004), dated and effective as of December 6, 2004, it is the policy of the State that in all cases where bond underwriting services are or may be required by the State or any of its departments, agencies or independent authorities, such department, agency or independent authority shall deal directly with the principals of the underwriting firms or their registered lobbyists. The department, agency, or independent authority shall not discuss, negotiate or otherwise interact with any third-party consultant, other than principals of underwriting firms and their registered lobbyists, with respect to the possible engagement of the firm to provide bond underwriting services. Compliance with Executive Order No. 9 shall be a material term and condition of any bond purchase contract entered into by underwriters selected to be a participant in an underwriting pool.

ATTACHMENT I

Requirements of Public Law 2005, Chapter 51

In order to safeguard the integrity of State government procurement by imposing restrictions to insulate the award of State contracts from political contributions that pose the risk of improper influence, purchase of access, or the appearance thereof, Public Law 2005, Chapter 51 was implemented, formally known as “EO 134”. Public Law 2005, Executive Order No. 117 (Corzine 2008) (“Executive Order 117”), which became effective November 15, 2008, builds upon the provisions of Chapter 51 by expanding the definition of business entity and the list of disqualifying contributions. Please see Attachment II for the requirements of Executive Order 117. Pursuant to the requirements of Public Law 2005, Chapter 51, the terms and conditions set forth in this section are material terms of any contract resulting from this RFQ:

Definitions:

For the purpose of this section, the following shall be defined as follows:

a) Contribution – means a contribution reportable by a recipient under “The New Jersey Campaign Contributions and Expenditures Reporting Act.” P.L. 1973, c 83 (C.19:44A-1 et seq.), and implementing regulations set forth at N.J.A.C. 19:25-7 and N.J.A.C. 19:25-10.1 et seq. As of January 1, 2005, contributions in excess of \$300 during a reporting period are deemed “reportable” under these laws.

b) Business Entity – means any natural or legal person, business corporation, professional services corporation, limited liability company, partnership, limited partnership, business trust, association or any other legal commercial entity organized under the laws of New Jersey or any other state or foreign jurisdiction. It also includes (i) all principals who own or control more than 10 percent of the profits or assets of a business entity or 10 percent of the stock in the case of a business entity that is a corporation for profit, as appropriate; (ii) any subsidiaries directly or indirectly controlled by the business entity; (iii) any political organization organized under 26 U.S.C.A. 527 that is directly or indirectly controlled by the business entity, other than a candidate committee, election fund, or political party committee; and (iv) if a business entity is a natural person, that person’s spouse or child, residing in the same household.

Breach of Terms of Public Law 2005, Chapter 51 Deemed Breach of Contract

It shall be a breach of the terms of the contract for the Business Entity to (i) make or solicit a contribution in violation of this Order, (ii) knowingly conceal or misrepresent a contribution given or received; (iii) make or solicit contributions

through intermediaries for the purpose of concealing or misrepresenting the source of the contribution; (iv) make or solicit any contribution on the condition or with the agreement that it will be contributed to a campaign committee or any candidate or holder of the public office of Governor, or to any State or county party committee; (v) engage or employ a lobbyist or consultant with the intent or understanding that such lobbyist or consultant would make or solicit any contribution, which if made or solicited by the business entity itself, would subject that entity to the restrictions of Public Law 2005, Chapter 51; (vi) fund contributions made by third parties, including consultants, attorneys, family members, and employees; (vii) engage in any exchange of contributions to circumvent the intent of Public Law 2005, Chapter 51; or (viii) directly or indirectly through or by any other person or means, do any act which would subject that entity to the restrictions of Public Law 2005, Chapter 51.

Certification and Disclosure Requirements

The State shall not enter into a contract to procure from any Business Entity services or any material, supplies or equipment, or to acquire, sell or lease any land or building, where the value of the transaction exceeds \$17,500, if that Business Entity has solicited or made any contribution of money, or pledge of contribution, including in-kind contributions to a candidate committee and/or election fund of any candidate or holder of the public office of Governor, or to any State or county political party committee during certain specified time periods. Accordingly, the Business Entity shall submit with its bid proposal the Certification/Disclosure form set forth in Appendix A attached hereto, certifying that no contributions prohibited by Public Law 2005, Chapter 51 have been made by the Business Entity. A separate Certification is required for each person or organization defined above as a Business Entity. Failure to submit the Certification(s) with the Bid Proposal shall be cause for automatic rejection of the bid proposal.

Prior to awarding any contract or agreement to any Business Entity, the Business Entity proposed as the intended awardee of the contract shall report all contributions the Business Entity made during the preceding four years to any political organization organized under 26 U.S.C.A. 527 of the Internal Revenue Code that also meets the definition of a "continuing political committee" within the means of N.J.S.A. 19:44A-3(n) and N.J.A.C. 19:25-1.7, in the form of the Disclosure attached hereto as Appendix A. A separate Disclosure is required for each person or organization defined above as a Business Entity.

Further, the Business Entity is required, on a continuing basis, to report any contributions it makes during the term of the contract, and any extension(s) thereof, at the time any such contribution is made. A separate Disclosure is required for each person or organization defined above as a Business Entity.

State Treasurer Review

The State Treasurer or his designee shall review the Disclosures submitted pursuant to this section, as well as any other pertinent information concerning the contributions or reports thereof by the intended awardee, prior to award, or during the term of the contract, by the Business Entity. If the State Treasurer determines that any contribution or action by the Business Entity constitutes a breach of contract that poses a conflict of interest in the awarding of the contract under this solicitation, the State Treasurer shall disqualify the Business Entity from award of such contract.

ATTACHMENT II

IMPORTANT NOTICE

NEW “PAY-TO-PLAY” RESTRICTIONS TO TAKE EFFECT NOVEMBER 15, 2008

Governor Jon S. Corzine recently signed Executive Order No. 117, which is designed to enhance New Jersey’s efforts to protect the integrity of government contractual decisions and increase the public’s confidence in government. The Executive Order builds on the provisions of P.L. 2005, c. 51 (“Chapter 51”), which limits contributions to certain political candidates and committees by for-profit business entities that are, or seek to become, State government vendors.

Executive Order No. 117 extends the provisions of Chapter 51 in two ways:

1. The definition of “business entity” is revised and expanded so that contributions by the following individuals also are considered contributions attributable to the business entity:

Officers of corporations and professional services corporations, with the term “officer” being defined in the same manner as in the regulations of the Election Law Enforcement Commission regarding vendor disclosure requirements (N.J.A.C. 19:25-26.1), with the exception of officers of non-profit entities;

Partners of general partnerships, limited partnerships, and limited liability partnerships and members of limited liability companies (LLCs), with the term “partner” being defined in the same manner as in the regulations of the Election Law Enforcement Commission regarding vendor disclosure requirements (N.J.A.C. 19:25-26.1); and

Spouses, civil union partners, and resident children of officers, partners, LLC members and persons owning or controlling 10% or more of a corporation’s stock are included within the new definition, except for contributions by spouses, civil union partners, or resident children to a candidate for whom the contributor is eligible to vote or to a political party committee within whose jurisdiction the contributor resides.

2. Reportable contributions (those over \$300.00 in the aggregate) to legislative leadership committees, municipal political party committees, and candidate committees or election funds for Lieutenant Governor are disqualifying contributions in the same manner as reportable contributions to State and county political party committees and candidate committees or election funds for Governor have been disqualifying contributions under Chapter 51.

Executive Order No. 117 applies only to contributions made on or after November 15, 2008, and to contracts executed on or after November 15, 2008.

Updated forms and materials are currently being developed and will be made available on the website as soon as they are available. In the meantime, beginning November 15, 2008, prospective vendors will be required to submit, in addition to the currently required Chapter 51 and Chapter 271 forms, the attached Certification of Compliance with Executive Order No. 117.

**Certification on Behalf of A Company, Partnership or Organization and All
Individuals Whose Contributions are Attributable to the Entity
Pursuant to Executive Order No. 117 (2008)**

I hereby certify as follows:

On or after November 15, 2008, neither the below-named entity nor any individual whose contributions are attributable to the entity pursuant to Executive Order No. 117 (2008) has solicited or made any reportable contribution of money or pledge of contribution, including in-kind contributions or company or organization contributions, to the following:

- a) Any candidate committee and/or election fund of the Governor;
- b) A State political party committee;
- c) A legislative leadership committee;
- d) A county political party committee; or
- e) A municipal political party committee.

I certify as an officer or authorized representative of the Company or Organization identified below that, to the best of my knowledge and belief, the foregoing statements by me are true. I am aware that if any of the statements are willfully false, I am subject to punishment.

Name of Company, Partnership or Organization:

Signed: _____

Title: _____

Print Name: _____

Date: _____

(circle one) (A) The Company, Partnership or Organization is the vendor;

or

(B) the Company, Partnership or Organization is a Principal (more than 10% ownership or control) of the vendor, a Subsidiary controlled by the vendor, or a Political Organization (e.g., PAC) controlled by the vendor.

**Please note that if the person signing this Certification is not signing on behalf of all individuals whose contributions are attributable to the entity pursuant to Executive Order No. 117 (2008), each of those individuals will be required to submit a separate individual Certification.*

Individual Certification of Compliance with Executive Order No. 117 (2008)

I hereby certify as follows:

On or after November 15, 2008, I have not solicited or made any reportable contribution of money or pledge of contribution, including in-kind contributions or company or organization contributions, to the following:

- a) Any candidate committee and/or election fund of the Governor;
- b) A State political party committee;
- c) A legislative leadership committee;
- d) A county political party committee; or
- e) A municipal political party committee.

I certify that, to the best of my knowledge and belief, the foregoing statements by me are true. I am aware that if any of the statements are willfully false, I am subject to punishment.

Signed: _____

Print Name: _____

Date: _____

ATTACHMENT III

CHAPTER 271 Political Contribution Disclosure Form

PUBLIC LAW 2005 Vendor Certification and CHAPTER 271 Political Contribution Disclosure Form

Vendor: _____

At least ten (10) days prior to entering into the above-referenced contract, the Vendor must complete this Certification and Disclosure Form, in accordance with the directions below and submit it to the State contact for such contract.

Please note that the disclosure requirements under Public Law 2005, Chapter 271 are separate and different from the disclosure requirements under Public Law 2005, Chapter 51 (formerly Executive Order 134) and Executive Order 117. Although no vendor will be precluded from entering into a contract by any information submitted on this form, a vendor's failure to fully, accurately and truthfully complete this form and submit it to the appropriate State agency may result in the imposition of fines by the New Jersey Election Law Enforcement Commission.

Disclosure

Following is the required Vendor disclosure of all Reportable Contributions made in the twelve (12) months prior to and including the date of signing of this Certification and Disclosure to: (i) any State, county, or municipal committee of a political party, legislative leadership committee, candidate committee of a candidate for, or holder of, a State elective office, or (ii) any entity that is also defined as a "continuing political committee" under N.J.S.A. 19:44A-3(n) and N.J.A.C. 19:25-1.

The Vendor is required to disclose Reportable Contributions by: the Vendor itself; all persons or other business entities owning or controlling more than 10% of the profits of the Vendor or more than 10% of the stock of the Vendor, if the Vendor is a corporation for profit; a spouse or child living with a natural person that is a Vendor; all of the principals, partners, officers or directors of the Vendor and all of their spouses; any subsidiaries directly or indirectly controlled by the Vendor; and any political organization organized under section 527 of the Internal Revenue Code that is directly or indirectly controlled by the Vendor, other than a candidate committee, election fund, or political party committee.

"Reportable Contributions" are those contributions that are required to be reported by the recipient under the "New Jersey Campaign Contributions and Expenditures Reporting Act," P.L. 1973, c.83 (C.19:44A-1 et seq.), and

implementing regulations set forth at N.J.A.C. 19:25-10.1 et seq. As of January 1, 2005, contributions in excess of \$300 during a reporting period are deemed "reportable."

Rev: 02/07/2006 DPP c271 C&D Page 1 of 2 PUBLIC LAW 2005 CHAPTER 271
Vendor: _____

Name and Address of Committee to Which Contribution Was Made	Date of Contribution	Amount of Contribution	Contributor's Name

Indicate "none" if no Reportable Contributions were made. Attach Additional Pages As Needed

Certification

I certify as an officer or authorized representative of the Vendor that, to the best of my knowledge and belief, the foregoing statements by me are true. I am aware that if any of the statements are willfully false, I am subject to punishment.

Name of Vendor: _____

Signed: _____

Print Name: _____

Title: _____

Date: _____